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Management Improvement

IN THE
UNITED STATES
DEPARTMENT OF
AGRICULTURE

1958-1959

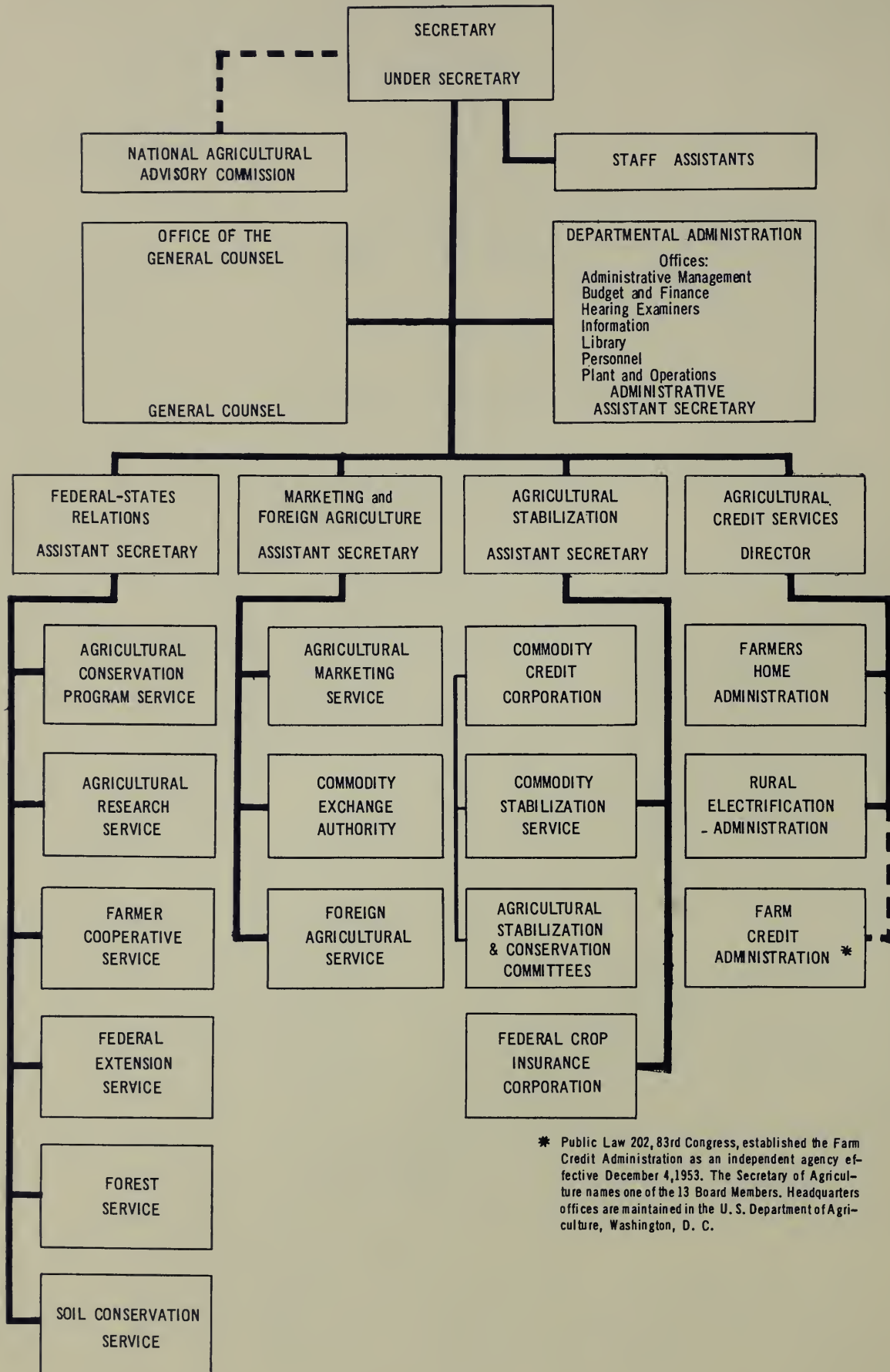
Digest -- Prepared by

The Office of Administrative Management

U.S. Department of Agriculture

Washington, D.C.

UNITED STATES DEPARTMENT OF AGRICULTURE



* Public Law 202, 83rd Congress, established the Farm Credit Administration as an independent agency effective December 4, 1953. The Secretary of Agriculture names one of the 13 Board Members. Headquarters offices are maintained in the U. S. Department of Agriculture, Washington, D. C.

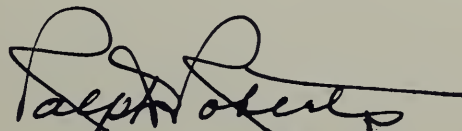
FOREWORD

In the day-to-day performance of the varied duties associated with our jobs, there is opportunity for improvement. That USDA employees are alert to these opportunities is evidenced in the examples cited in this report.

Management of the Department's resources for betterment of the public service we render is a continuing challenge. This challenge is met when employee suggestions are made, inviting consideration of improvement proposals. It is met when supervisory officials are willing to experiment, adapt, and change in seeking improved performance. It is met when, through the cooperation of many individuals, progressive action is taken which requires for success loyal support and understanding of objectives.

Improvement of work methods, systems, and procedures rests in large measure upon self-improvement. For that reason, the Department has encouraged training programs conducive to development of our human resources. As such training widens the potential usefulness of individual employees and deepens the consciousness of our public responsibilities, we look forward to expanded management improvement activities. This report lends encouragement to our hopes.

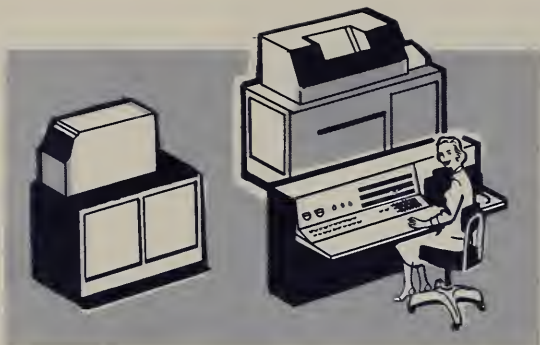
February 15, 1960

A handwritten signature in black ink, appearing to read "Ralph S. Roberts", with a long horizontal flourish extending to the right.

Ralph S. Roberts
Administrative Assistant Secretary

CONTENTS

	Page
Administrative Services	2
Financial Management.....	5
Paperwork Management.....	7
Personnel Management.....	11
Program Management	13



ADMINISTRATIVE SERVICES

Supply Operations Evaluated.

During the past two years the staff of the *Office of Plant and Operations* have studied the acquisition, storage, and distribution of supplies, equipment, and printed forms by USDA field offices. Considerable variety of procedural practice was found to exist.

To improve and standardize these supply operations, policy guides have been issued in the Administrative Regulations and are being implemented in a positive action program. Steps taken have (1) consolidated a number of sources from which printed forms were distributed and (2) concentrated responsibility for acquisition, storage, and distribution of office supplies in one agency at five major field locations where several USDA agencies occupy space in the same building. Based on the experience gained, the program is being extended to other locations.

Communication Costs Cut.

Standards have been developed to aid *Agricultural Marketing Service* employees in selecting the most appropriate method of wire communication for particular types of messages. The guide shows the types of service available (such as telephone, leased wire, commercial wire, PBS-GSA wire), the cost of each for different types of messages, and recommends the preferable service based on factors at the receiving end as well as in the sending office. The guides have been furnished to field offices where practicable. Publication of these standards has resulted in improved service and reduced costs.

Areas of Application for Data Processing Systems Identified.

Recent studies conducted in the *Commodity Stabilization Service* served to identify specific areas and operations susceptible to automatic data processing. It was recognized (1) that management needs timely and accurate information and (2) that complex commodity program operations involve large volumes of paperwork.

Sixty analytical projects were undertaken with the following results:

1. To the extent feasible, manual operations have been mechanized on conventional electrical accounting equipment.
2. Large-scale paperwork and data-processing operations involved in price support, loan, and purchase agreement programs have been brought under electronic computer systems. Systems installed include a medium-sized electronic computer system in the Evanston, Illinois, Commodity Office and large computer systems in the Kansas City and New Orleans Commodity Offices.

Appreciable program and clerical savings have been realized. Multiple records and large numbers of forms have been eliminated. Large masses of data for managerial and trade use can now be rapidly processed, edited and verified. Feasibility studies are continuing in field offices to improve inventory management and transit operations.

Automation Saves Time.

Use of an automation process in assembling and inserting printed materials,

such as promotional items which form the "Smokey Bear" fire prevention kit, enables the Department's *Office of Plant and Operations* to accomplish with one employee, part-time, work which previously required an average of four employees, full-time. In the "Smokey" operation approximately 1,400,000 items, ranging from gummed stamps to bookmarks in the shape of "Smokey Bear" in silhouette, are collated annually into 200,000 kits and inserted into envelopes for mailing to the public.

Although public demand for "Smokey Bear" kits continues throughout the year, it increases sharply when the program is concentrated in a particular area of the country approaching its fire season. When kits were assembled manually, backlogs of orders developed during these periods of heavy demand. By using an inserting and mailing machine, it is now possible to avoid delays in mailing and reduce the man-hours required for this type of work.

Procedures Geared to Users' Needs.

An improvement of its entire body of operating procedures to more effectively meet the special needs of users was accomplished by the *Commodity Stabilization Service*. More than 1000 individual instructions, totaling over 11,000 pages of text, were converted to approximately 200 handbooks. Under the old system, the individual user was obliged to segregate from the total collection of instructions those applicable to his area of interest.

The new system provides handbooks designed to serve the needs of particular groups of users with respect to specific programs or administrative activities. It also provides for:

1. Systematic State and other field office supplementation;
2. Control devices governing the transmittal, insertion and removal of pages;
3. Periodic checklists and indexes; and
4. Continuous evaluation of the system and its issuances.

In addition, special standards and guidelines were adopted to improve and control the quality of procedure writing. All features of the revised system subordinate the convenience of the issuing offices to the operating needs of procedure users.

Mechanized Records Preparation Achieves Savings.

To eliminate the individual typing of address information on recurring reports, the *Federal Crop Insurance Corporation* is now employing automatic data processing techniques which obtain a portion of the data from existing punched-card records.

Acreage reports rendered periodically by state and county Federal Crop Insurance Corporation offices were previously individually completed by typewriter. Now the state and local offices receive these forms partially completed with entries of name, address, contract number and county. This work utilizes automatic tabulating equipment and existing records of the Chicago Branch Office.

The results are a better utilization of tabulating equipment and personnel, and a more accurate and rapid reporting system.

Equipment Modernization Improves Operations.

A systematic program to improve operating efficiency by modernizing the equipment and furnishings of *Farmers Home Administration* State and county offices was initiated in the fiscal year 1958. Complete data on types, quantities, age and condition of all equipment items were obtained by a nation-wide survey. These data were analyzed and the equipment needs of every office were appraised. Replacement and renovation cost data and equipment installation schedules were developed.

Thirty-seven State offices were re-equipped as a result of the program. Approximately 65 percent of replaced State office equipment was utilized in county offices. The modern equipment is contributing to more efficient operations in the FHA State and county offices. Employee morale has also benefited from the improved equipment and working conditions.

Data Processing Operations Integrated.

Punch card systems were installed in all *Forest Service* regional offices. This action resulted from a pilot study in one region, and a comparative study of machine and hand processing methods in another, which

Administrative Services--Continued

revealed that integration of data processing operations would reduce greatly the work heretofore involved in performing statistical and accounting operations manually. Other applications, such as records pertaining to road location and design, road and trail statistics, timber sale and survey work, are also being made as rapidly as possible.

The change has resulted in faster information for management, as well as lowered cost of operations. The payroll and accounting application, in the pilot study alone, resulted in savings of 10 man-years of time. In addition, engineers and foresters have more time for professional on-the-ground accomplishments.

New Directives System Established.

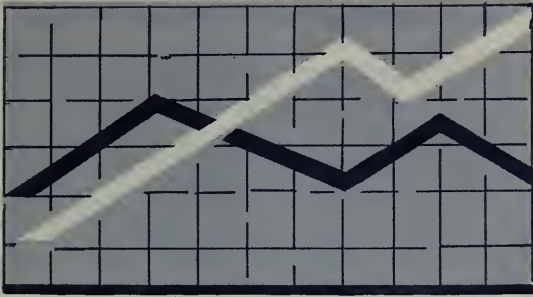
A new directives system was devised to contribute to more effective management of the *Foreign Agricultural Service*. Previously, seven series of issuances were used by FAS to disseminate its policies and procedures to employees. The new FAS Regulations codify all existing issuances into major titles and chapters.

The integration and maintenance of instructions on a current basis has been facilitated by the new system. Effective control over the development of issuances is provided. Employees can now more readily determine applicable procedures and policies. Improved coordination of Washington and field activities is also being achieved.

New System Relieves Year-End Congestion.

Ordering of books and periodicals in large number by the *Library* has required extensive verification procedures, particularly as to receipt of items under subscriptions. This involved year-end reconciliation of advance payments, and numerous instances in which publications ordered were no longer available, resulting in delayed claims for refunds and gaps in the Library collection.

Under the revised procedure, purchase orders are coded and upon receipt of the material acquisition is confirmed routinely. Advance subscriptions are separately handled so as to permit year-end checking of all issues received.



FINANCIAL MANAGEMENT

Modernized Agency Accounting Systems Approved

Accounting systems in seven agencies of the Department have been revised with assistance of the *Office of Budget and Finance* to conform to modern concepts of accounting. As one example, the accounting system now in use by the *Rural Electrification Administration* is the result of several years of development and testing. It provides:

1. A systematized chart and description of accounts prescribed to fit the needs of REA for its lending programs;
2. An accrual basis for recording income and expense;
3. Realignment of responsibilities to provide maximum internal control;
4. General ledger control over furniture, fixtures and equipment; and
5. Financial reporting to show timely information needed by REA officials in establishing policy and evaluating effectiveness.

The new systems for these seven agencies are documented in agency accounting manuals approved by the General Accounting Office. Manuals for three other agencies have been referred to the Comptroller General, while those for six additional agencies require initial review in the Office of Budget and Finance before being submitted for approval.

Appropriation Structure and Apportionment Procedure Improved.

An extensive review of the *Forest Service* appropriation structure resulted in the con-

solidation of three separate appropriations and the reduction of related sub-appropriations from four to three. The new structure:

1. Synchronizes more closely the budget and accounting classifications and the organization structure of the agency;
2. Simplifies program administration and fiscal procedures; and
3. Facilitates the review of budget estimates by the Department, the Budget Bureau, and Congress.

The seasonal cycle of work in the national forests normally involves three periods of four months each. To facilitate work planning and to correlate fiscal operations, appropriated funds are now apportioned, with the approval of the Budget Bureau, for three periods instead of quarterly.

Working Capital Fund Financing Extended.

Wider use of simplified financing methods is being achieved by agencies of the Department under the leadership of the *Office of Budget and Finance*. Among the areas of improvement are central service operations and other activities financed from multiple funds. For example, the working capital fund method of financing has been extended to supply operations and motorized and heavy equipment services used in field activities of the Forest Service, photocopy work in the Department Library, the Departmental telephone service, the Department Post Office mailing service, and similar activities.

Major benefits from this method of financing are:

1. Prompt and simplified payment of vendor bills which formerly had to

Financial Management--Continued

be routed to a number of agencies for audit and attachment of certified payment schedules;

2. More equitable and accurate distribution of charges to appropriations through cost analysis on a service-received basis; and
3. Provision for financing, through depreciation charges, the replacement of worn-out or obsolete equipment without seeking specific appropriations for such items.

CPA Audit Program Strengthened.

A newly revised systematic review procedure now provides the *Rural Electrification Administration* with a more comprehensive and uniform analysis of audits performed by Certified Public Accountants for REA-financed rural utility corporations.

REA several years ago adopted a policy of encouraging borrowers to engage CPA's for annual audits in lieu of audits by REA accountants. As a result, nearly all of the electric corporations and a majority of the telephone corporations financed by REA retained public accounting firms to audit their accounts. This has released REA accountants for other essential work such as pre-loan financial appraisals, review of loan fund expenditures, and accounting advice to borrowers.

The new procedure will contribute to the security of government loan funds and be reflected as savings in administrative expenses and better utilization of REA personnel.

Improved Equipment and Stores Accounting.

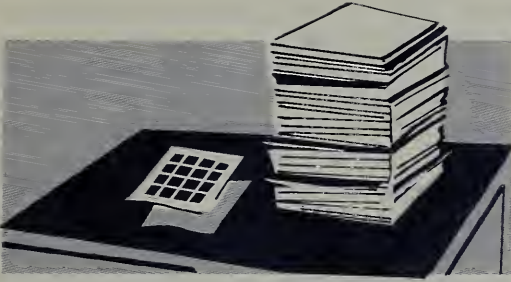
Improved procedures developed by the *Office of Budget and Finance*, in cooperation with agency personnel, provide better accounting control over equipment and stores inventories at the Agricultural Research Center, Beltsville, Maryland. The new system eliminated over 5,000 inventory bin record cards previously maintained, and discontinued need for about 900 property record cards.

Consolidated Disbursing Account.

Establishment of a consolidated disbursing account for payment of salaries and expenses in the *Commodity Stabilization Service* has simplified fiscal operations. Use of this account allows for the immediate payment of expenses chargeable to more than one appropriation or fund. By permitting distribution of charges to the various funds after the close of the month in which expenses are paid, the consolidated disbursing account has eliminated the necessity for making numerous accounting adjustments.

Standard Forms Simplified.

In response to action initiated by the Department's *Office of Budget and Finance*, the Comptroller General has approved simplification of nine widely-used Standard Forms. The name and address of the Treasury disbursing officer will be omitted, since the disbursing symbol used adequately identifies this official. The changes reduce clerical work involved in preparation of numerous forms.



PAPERWORK MANAGEMENT

Card Form Eliminates Annual Postings.

Approximately 5 million farm acreage allotments are established annually. To establish these allotments, 700,000 columnar listing sheets were prepared each year. A study by the *Commodity Stabilization Service* showed that over 50 percent (or $2\frac{1}{2}$ million) of the entries made on each of the annual listing sheets were copied from the preceding year's listing sheets. A tedious, exacting clerical job was involved and errors in transcription were inevitable.

A uniform farm record card was adopted, nation-wide. The data required for determining the allotments for all commodities on a farm can be entered on the one card. The card can be used for five years. The copying of information and the printing of annual listing sheets has been eliminated. This has resulted in savings in clerical, typing and handling time, elimination of transcription errors, and simplification of decisions concerning allotments, since all pertinent information for each farm is contained on one form.

Records Holdings Reduced.

Agency reports to the *Office of Administrative Management* reflect creditable progress for the fiscal year 1959:

1. Transfers of material to Federal Records Centers increased by 62.5% over the fiscal year 1958.
2. Records disposition (132,252 cubic feet) was up 11.9%, while accumulation of new records (121,808 cubic feet) was down 11.5%.
3. Records holdings in the Department (902,912 cubic feet) declined 1.2%,

equivalent to 1,756 fewer standard-size four-drawer filing cabinets.

Unit Reports Speed Compilation.

National data on program accomplishments, prepared by the *Agricultural Conservation Program Service*, were formerly based on reports from each state. Summary state reports could not be completed until each county had furnished the information needed.

To overcome delays involved, workload factors were analyzed and new procedures established.

Five forms used were combined into one, which flows from each county into the Agricultural Stabilization and Conservation Committee state office and is then forwarded direct to Washington. National data is being compiled 90 days earlier than before and the steady flow of forms relieves previous peaks in workload.

Improvements Made In Poultry Inspection Operations.

Incident to mandatory inspection of poultry products by the *Agricultural Marketing Service*, central office operations experienced a substantial increase in workload.

To accommodate the expanded activity new procedures were introduced providing for: (1) speedier and less costly handling of engineering drawings and specifications required from about 1,000 processing plants, by use of special shelf-filing equipment; (2) simplified and standardized operations in Washington and 6 Area offices through use of predesigned form and guide

Paperwork Management--Continued

letters in lieu of individually prepared letters; and (3) consolidation of about 150 separate issuances a year into 12 instructions pertaining to approval of chemical compounds used in processing plants.

Number of Reports Reduced.

In connection with a Department-wide review of reporting requirements and procedures, recommendations were made for reducing the frequency of certain reports. Negotiations between the *Office of Budget and Finance* and the Budget Bureau resulted in changing from a monthly basis to a quarterly basis the status reports made on individual appropriations.

This change in reporting frequency reduced the number of separate reports from approximately 1300 to about 450 per year. Since the reports are voluminous and detailed, appreciable savings in manpower were achieved throughout the Department.

Notable Forms Improvements Cited.

Examples of benefit derived from forms analysis in the *Agricultural Marketing Service* include the following:

Poultry processors under Federal inspection must obtain approval of product labels. Approximately 25,000 labels are handled annually. A form was devised, replacing three separate forms, to be used (1) for application and (2) for approval or rejection. Typing work has been reduced and the number of labels handled per employee was increased 25 percent.

The numerous documents and notices involved in issuance of milk orders were prepared in a set of 17 forms containing prescribed legal provisions. The forms, designed to facilitate appropriate publication in the Federal Register, aid the typist to produce accurate copy more rapidly.

Reporting Systems Review Results In Improvements.

A review of reporting systems and requirements within the *Agricultural Research Service* has resulted in several significant improvements in internal reporting.

Examples of improvements achieved as a result of the review are:

1. Internal reports from five major research laboratories formerly required monthly are now spaced at four-month intervals, better suited to the cycle of work. An estimated one man-year has been saved by this action.
2. Reporting systems were revised to produce data more readily understood and of greater value to users. Also, reports were eliminated and consolidated, with the result that preparation time was greatly reduced.

The results have demonstrated the benefits to be achieved through systematic review of reporting systems. Continued review and analysis is expected to produce further improvements.

Letters Eliminated by Form.

The adoption of a form has eliminated the necessity of preparing and stocking 21 separate form letters used by the *Commodity Exchange Authority*. The letters were sent to brokers engaged in futures trading on commodity markets throughout the country and were identical except for five major points. The new form provides fill-in spaces for the variables. Unlike its predecessor letters, it has the advantage of grouping together in a conspicuous area the important reporting facts for a particular commodity. Use of the form has:

1. Reduced preparation time;
2. Reduced the number of forms to be stocked from 21 to 1; and
3. Enabled the reporting trader to see at a glance the important details concerning his reporting obligations.

Reorganization of Files Increases Efficiency.

Voluminous files must be maintained by the *Office of the General Counsel* to record the claims and litigation cases by and against the Commodity Credit Corporation.

The proper maintenance of these files has presented major problems. In many instances, there were from three to a dozen files involving the same company name but relating to completely different matters. Under the old method, the cases were

alphabetized in the files by names. Consequently, in those instances when an individual or firm was involved in several litigation actions, there was often difficulty in locating the desired case file. Materials being added to the files were sometimes inserted in files bearing the correct name but pertaining to a completely different case.

To remedy this problem, OGC reorganized the files relating to CCC litigation and claims work. Cases were designated by file number and were filed on this basis instead of by name. Duplicate cross-index cards showing both the name and number designation are also maintained. The numerical designation of the file is entered on all incoming and outgoing case material.

Increased accuracy of filing and saving in time by attorneys and clerical personnel have resulted. Misfiling has been virtually eliminated.

Revised Manual System Extended to Files and Forms.

The numeric-subject codification scheme for the revised *Forest Service* manual has been applied also to filing operations and the control of forms.

Under the new system the following benefits accrue:

1. One uniform numbering system results;
2. Instructions for the use of forms are keyed to the form numbers;
3. Correspondence is filed in accordance with manual codification of the subject-matter; and
4. One source of reference results for forms, filing guidance, and operating instructions.

Inquiry Form Supersedes Memoranda.

In examining approximately a half-million reports annually of trading on futures markets, the *Commodity Exchange Authority* field offices frequently must check with each other concerning varied types of errors and delinquencies.

In lieu of separate memoranda making appropriate inquiry, an inter-office memorandum form was devised with tabular "fill-in" features. The new form provides a flexible means of obtaining needed information, and conserves typing work, clerical effort, and supervisory direction.

Form Developed to Control Receipt of Publications.

Exchange of agricultural publications issued by the Department of Agriculture for materials published abroad frequently results in receipt of publications not desired or in surplus quantity. As workload permitted, letters were typed to request changes in the number of copies; however, because of staff shortages, few letters could be written and the volume of surplus material steadily increased.

A new form was developed by the *Library* which could be superimposed on the card used for recording receipt of publications so that changes could be requested by photographing the form and the record card. The work has been further routinized by mailing the photoprints in window-envelopes. It is estimated that at least 700 hours of employee time valued at about \$1100 will be saved each year by this new method of handling undesired material.

Agency Paperwork Surveys Initiated.

The *Office of Administrative Management* is conducting a series of surveys to appraise the effectiveness of agency practices concerning correspondence, forms, reports, and records maintenance and disposition.

The survey reports contain recommendations, when appropriate, for improvements considered practicable. Surveys have been completed in the Office of the General Counsel, the Rural Electrification Administration, and the Soil Conservation Service.

One-Third as Many Forms Through Consolidation.

One hundred twenty-three different real estate mortgage forms were in use in Farmers Home Administration offices throughout the United States. These forms reflected variances in State mortgage laws, and the development of separate mortgage forms for each State, for the three types of farm loans where real estate is taken as security.

The *Office of the General Counsel and the Farmers Home Administration* collaborated in improving the mortgage forms by incorporating standard provisions for use in all States, and by reducing the size of many forms. There are now only 39 mortgage

Paperwork Management--Continued

forms instead of 123. The revisions have expedited loan closing, reduced printing costs, and simplified the stocking and distribution of forms. Smaller forms of uniform size are easier to handle and file. The Farmers Home Administration estimates that recording fees will be reduced in many States as a result of this improvement.

Form Letters Save Time.

Increased efficiency has been achieved by the *Office of the General Counsel* as a result of the adoption of form letters for use in processing certain cases. Each year this Department and the Department of Justice determine that criminal prosecution should not be instituted in approximately 400 cases involving violations of fruit and vegetable marketing orders.

In each case the attorney involved had to (1) review the file, (2) transmit the case to the Attorney General, (3) notify the Fruit and Vegetable Division of the Agricultural Marketing Service that the Department of Justice concurred in the recommendation, and (4) re-examine the file and dictate a

letter of warning to the violator. The adoption of form letters to deal with each phase of the case has greatly reduced dictating and typing time. Moreover, the attorney now has to examine the case file only once. The result is a savings in time and more rapid processing of the cases.

Uniform System Extended.

To improve records management at the State and county level, the *Federal Extension Service* has aided State Extension Services in developing and installing a uniform classification and filing system. Installations have been completed in 13 States, involving 924 counties. Six additional States plan to adopt the uniform system and others are considering such action.

This improvement has introduced a consistent and orderly system, reduced filing space, conserved employee time and makes possible better service to the public. Nation-wide acceptance of the system is in prospect which will further strengthen administrative efficiency in Extension offices.



PERSONNEL MANAGEMENT

Authorities Further Decentralized.

To place authority at appropriate operating levels in the Department, the *Office of Personnel* has delegated to agencies additional responsibility in the following areas:

1. To establish non-standard hours of duty subject to compliance with basic standards and policy;
2. To classify standard jobs;
3. To effect seasonal re-employment without the prior approval of the Director of Personnel after approval has been given for the first such employment;
4. To recommend removal of employees for unsatisfactory performance through the charges and answer procedure rather than through procedures provided under the performance rating act; and
5. To grant cash awards to individual employees and to groups of employees, for benefits resulting from suggestions, superior performance or special achievements up to \$500; the previous ceiling was \$300.

Uniform Policy Resolves Issues.

A uniform policy for the appointment of State employees as cooperative agents has been established in the *Agricultural Research Service*. Cooperative agents are appointed to help carry out programs on which ARS and State agencies are cooperating.

The dual employment status of these agents raised complicated issues concerning fringe benefits such as vacation and retirement privileges. The uniform policy has resolved many of these issues and brought about a better understanding between ARS and the States concerning the

conditions under which agents are employed. Benefits resulting from the new policy are:

1. The processing of agent appointments has been reduced to a routine operation;
2. The number of agents employed has been reduced; and
3. Many of the administrative problems that existed under the old policy have been eliminated.

Training in Administrative Management.

The Department has sponsored through the *Office of Personnel* an extensive series of Institutes and Workshops for Training in Administrative Management (TAM). Approximately 135 field officials participated in 4 regional Institutes of two-weeks duration. In turn they have conducted, through the fiscal year 1959, 10 week-long Workshops attended by nearly 300 fellow employees in their local communities.

Future plans provide for 2 additional Institutes and more than 20 Workshops. Major objectives of the TAM program are:

1. To train USDA personnel having supervisory responsibilities in management skills, and strengthen their knowledge of sound management practices;
2. To help such USDA personnel gain a broader understanding of the Department in terms of its agencies, functions, and programs; and
3. To provide a nucleus of trained leaders to plan, organize, and carry out training workshops in local areas.

Better Position Descriptions Developed.

Position classification operations are being simplified as a result of cooperation

Personnel Management--Continued

between the Department's *Office of Personnel* and the Civil Service Commission. The Department has introduced methods and procedures for reducing the number and length of position descriptions. This is being done by (1) limiting the length of descriptions, (2) citing references to avoid specific coverage in the description itself, (3) developing standard descriptions for routine jobs and tasks, (4) adoption of master descriptions for large groups of closely similar jobs, and (5) describing significant duties in detail but generalizing briefly to cover other duties. Agencies of the Department are taking action to apply these methods and thereby simplify a recurring phase of personnel work.

Management Improvement Training Provided

Planned training programs to develop management and supervisory skills are being conducted by the *Agricultural Marketing Service*. Types of training include:

1. **Executive Development Courses**--During recent years, about 40 officials ranging from branch chiefs to Deputy and Assistant Administrators have taken courses sponsored by the Brookings Institution, the American Management Association and other non-Federal agencies, in addition to participation in the Department's Institutes for Training in Administrative Management.
2. **Management Workshop**--An Administrative Management Workshop was conducted for executive and supervisory personnel, designed to identify and evaluate AMS management strengths and weaknesses. Better techniques and fresh approaches to improving management have resulted from this effort.
3. **Correspondence Courses**--Three hundred employees in managerial positions have participated in a 16-lesson correspondence course in management principles and practices.
4. **Administrative Workshops**--Two series of administrative-clerical workshops have been held at central points throughout the United States. Approximately 250 field clerks participated in the current series.

The beneficial effects of this developmental training are reflected in increased

operating efficiency, stimulation of interest in objectives and techniques for more effective service to the public, and enhanced morale within the agency.

Unified Standards Program Achieved.

Responsibility for coordinating and directing personnel classification and qualifications standards work was placed in one division through reorganization in the Department's *Office of Personnel*. As a result, a single, integrated staff now plans the complete occupational standards program.

Consolidation of standards work in one organizational unit has enabled the existing staff to absorb an increased workload and better resolve problems involving both classification and qualification standards.

Administrative Training Program Established.

A development program has been instituted for top-level administrative employees at animal disease eradication field stations of the *Agricultural Research Service*. Elements of this coordinated program are:

1. An administrative training program;
2. A series of bi-annual regional meetings to review developments in the administrative field;
3. One-week assignments to the headquarters office in Washington for orientation training; and
4. Delegations of authority by field program officials to administrative employees to better define areas of responsibility.

Reading Effectiveness Improved.

Courses in rapid-reading introduced by the *Office of Personnel* were attended by 392 persons during fiscal year 1959. Participants increased their reading speed on standard material by an average of 70 percent. On difficult material, tests showed that speed of comprehension was improved by an average of 22 percent and depth of comprehension by 10 percent.

Participants estimated that before receiving the training they read an average of about four hours daily. On this basis, each participant's increased reading speed has made available to him an extra hour per day for other work.



PROGRAM MANAGEMENT

Grain Storage Techniques Improved.

Steps have been taken to improve the management and care of grain stored in *Commodity Credit Corporation* facilities. Much of the 600 million bushels of grain currently stored in these facilities is three or four years old; consequently, there has been a pressing need to maintain the quality of CCC inventories.

The action taken includes the following:

1. A program of monthly inspection of all stocks has been established to detect insect infestation or spoilage;
2. Equipment for turning and screening stored grain was acquired; and
3. The use of aeration equipment has been expanded to include 50,000 small storage structures in addition to the large storage facilities.

As a result of these actions, CCC has been able to preserve stocks in storage that might otherwise have had to go into the market on a distress sales basis at times disadvantageous to producers and to CCC. The new fumigating methods, grain protectants, and aeration have reduced the cost of fumigation so that the net over-all cost of storing grain has not advanced in proportion with increased stocks on hand.

Scientists Fully Utilized.

To achieve more effective use of scientific personnel, the *Agricultural Research Service* has studied measures to relieve scientists of administrative burdens. Specific accomplishments are:

1. An organizational realignment having a major objective of withdrawing administrative responsibilities from research levels and placing them in a recognized administrative segment of the organization.
2. Studies to determine the volume and variety of administrative needs in forty field locations where two or more divisions have scientific personnel stationed. The objective of each study was to relieve scientists of office work so that maximum time could be devoted to research, and to achieve more efficient performance of routine administrative functions. Centralized administrative arrangements have been adopted at twelve locations and are being planned at seven others.

This action was taken to remedy situations in which scientists had become burdened with administrative duties that diverted their efforts from pursuit of research assignments.

Workload Analyses Result in Savings.

Optimum utilization of resources is the objective of continuing evaluation and planned redistribution of workloads within the *Soil Conservation Service*. The transition of localities from rural to urban character has provided opportunities to concentrate resources where the need is greatest. Based upon studies of more than 500 work units during fiscal year 1959, the SCS effected a net decrease of 9 Area Offices, the consolidation or elimination of 50 work units and a rearrangement of responsibilities to provide greater flexibility in meeting local needs.

Program Management--Continued

Feasibility Studies Pave Way for Automatic Writing Equipment.

High-speed mechanized writing equipment has been installed in more than 1000 of 2956 *Agricultural Stabilization and Conservation* (ASC) county offices. The acquisition of this equipment followed feasibility studies which indicated that such equipment would be economical in counties with over 2000 individual acreage allotments.

The amount of paperwork in ASC county offices has greatly increased over the past ten years as a result of additional farm programs. Most offices were spending from \$9,000 to \$75,000 annually to handle clerical work. Part-time help to handle seasonal peak loads was costing from \$400 to \$2,000 in many offices. It was found that many of the approximately 150 different forms prepared in ASC county offices in connection with the various farm programs required the entry of identical data. Inaccuracy of manually-inserted data caused complaints from farmers and took valuable time to correct. These errors were costly in subsequent data-processing operations of State and Commodity Offices.

The studies indicated the feasibility of high-speed mechanized writing of repetitive data on forms for allotments, Agricultural Conservation Program, Commodity Credit loans and soil bank activities in ASC county offices. For example, using mechanized equipment, the data and their position on a form could be predetermined, and the machine could automatically print the data on the forms at high speed.

The use of this equipment enabled county offices to handle more work at less clerical cost and reduced the number of errors in data. More offices may adopt the system when their workload reaches prescribed levels.

Questionnaire Format Speeds Tabulations.

Three-fourths of the 9 million inquiry forms distributed by the *Agricultural Marketing Service* to farmers, in collecting data for crop and livestock estimates, have been converted to "pegstrip" format.

The questionnaires are returned by farmers to state offices for processing and tabulation. Through the use of pegstrip boards, savings in clerical time have ranged from 21% to 44% in processing the data.

Management Improvement Objectives Put on Project Basis.

Planned projects to accomplish management improvement objectives have been established in the *Agricultural Research Service*. During the first six months of fiscal year 1959, thirty units submitted a total of 132 individual management improvement project proposals. The program, which has revitalized management improvement effort, entails reporting of progress, evaluation for maximum application of successful projects, and dissemination of information on accomplishments.

Warehouse Receipts Standardized.

More than 8 million warehouse receipts are received by the *Commodity Credit Corporation* each year. Before the receipt forms were standardized, more than 13,500 commercial warehousemen issued them in thousands of different sizes and format. This caused many problems and considerably more work than should have been necessary. Extended negotiation by CSS officials with industry leaders resulted in the adoption of a uniform warehouse receipt by all cotton warehousemen, and a uniform grain receipt by 75 percent of the grain warehousemen.

Some of the beneficial results of standardization are:

1. Supplemental certificates issued have decreased;
2. Clerical handling, sorting and filing operations have been simplified;
3. Coding of information on punch cards is more readily done; and
4. Inventory management operations have been facilitated by making it quicker and easier to locate and analyze receipts.

Better Mapping Method Adopted.

Adoption of new techniques by the *Soil Conservation Service* has resulted in savings in the preparation of topographical maps needed in connection with watershed protection and flood prevention projects and engineering work for other projects. Previously, the maps were prepared by the conventional method of field surveying and

plotting which was time-consuming, could not be carried out in bad weather, and sometimes damaged crops and trees.

The new equipment used is a stereo viewing device by which elevation and distance can be plotted from aerial photographs. Advantages of using this device in making topographical maps are:

1. Surveys are completed more quickly with a minimum interruption to land owners;
2. There is less damage to crops;
3. The maps prepared are more useful and complete; and
4. Mapping can proceed during periods of inclement weather.

An estimated \$215,000 of time in man-hours has been saved in three years by use of the new plotting technique. The savings in time enables field technicians to devote their time to other important engineering work.

Workload Guidelines Established.

Guidelines for determining optimum balance and size of workloads for ranger districts were established by the *Forest Service*. Due to the increasing size and complexity of workloads, periodic adjustments in the size and staffing of ranger districts are necessary. Studies revealed that firmer guides and policies were needed as a basis for these adjustments.

The guidelines provide for careful distinction between the workload assigned to technically-qualified rangers and that which should be accomplished by other personnel. Authority to make workload adjustments was delegated to regional foresters. As a result, workload adjustments are being made to assure that highly-qualified professional manpower is devoted to technical work and that ranger district workloads are in proper balance with each other.

Long-Range Planning Reduces Borrowers Costs.

Guidelines to more effective application of financial resources to meet the future electric power requirements of rural people were provided by the *Rural Electrification Administration*. A manual issued by the REA provides basic engineering and financial guidelines for the planning of future facilities to meet needs resulting from the increased utilization of electricity by farmers and other rural people.

Although designed primarily for use by REA-financed electric distribution systems, the principles outlined in this publication are applicable to other electric utility corporations serving rural areas. REA field personnel are providing appropriate advice to borrowers so that initial investments and later replacements of equipment occur at a time which allows optimum utilization of physical and financial resources. This planning program is expected to save borrowers millions of dollars, thereby enhancing the security of present and future loans, decreasing the need for REA loan funds and continuing to encourage economical electric service to rural people.

Discount Provision Strengthens Program.

The *Federal Crop Insurance Corporation* requires payment of premiums by prescribed dates, usually at harvest time. A 10% additional charge is made for delinquency, which sometimes leads to cancellations or bad debts.

To encourage prompt payment of premiums and avoid later dissatisfaction, provision has been made for a 5% discount when premiums are paid within 30 days after planting. The new system reduces administrative costs of collecting and has met wide favor among insured farmers.

Manuscripts Improved by Writers' Workshops.

A series of workshops for writers of manuscripts for USDA publications has been conducted under the leadership of the *Office of Information*. The workshops were designed to fulfill a basic need for improved planning, standards, and preparation of manuscripts by authors.

Topics covered in the workshops were:

1. Organization and clarity in writing;
2. Effectiveness in presentation;
3. Adaptation to audience;
4. Teamwork of author and editor;
5. Motivation;
6. Logic and meaning;
7. Coordination of publications and other communications media;
8. Publications series; and
9. Relationships between agencies.

Also, a series of instructions on publications preparation and management were developed.

Four workshops were conducted in the Agricultural Research Service, two in the

Program Management--Continued

Agricultural Marketing Service and one in the Federal Extension Service. They have resulted in improved writing, better publications, and a saving of time and money in the editing and clearance processes. The success of these workshops has influenced the Department to schedule additional ones for the next fiscal year.

Insurance Premiums Lowered For Good Experience.

A graduated premium reduction for good risk experience has been instituted by the *Federal Crop Insurance Corporation*.

Previously, insured farmers were required to operate for 7 years without a loss before receiving a 25% premium reduction. When small losses occurred thereafter, the credit gained was also lost; in consequence, some farmers dropped the insurance protection available to them.

The new graduated plan provides a 5% reduction in the fourth year and each year following, to a maximum of 25% in the eighth year. In event of loss, the farmer retains a four-year credit.

Costs Reduced by Use of Area Committees.

Better distribution of workloads is being achieved by the *Farmers Home Administration* through re-examination of services performed by local FHA committees. The FHA is required by law to use three-man citizen committees for the review of applications for all types of FHA loans and debt settlement actions, to certify the value of Farm Ownership loans, and to advise the FHA County Supervisor on all phases of the program. These committees were organized on a county basis; in some instances, however, the committees did not have a substantial workload.

FHA instructions were revised to encourage State Directors to establish area committees to serve more than one county in areas with low workloads. The use of area committees has reduced the total number of committeemen from approximately 9200 to 8300. Greater efficiency in field operations and a reduction in administrative costs are expected.

Boundary Realignment Cuts Costs.

Under the Watershed Protection and Flood Prevention Program (P.L. 566) carried out by the *Soil Conservation Service*, activities and responsibilities of Area Offices were expanded. Watershed boundaries in many instances did not conform to Area boundaries. Excessive travel cost and transit time were experienced.

Analysis of operations indicated that realignment of Area boundaries was desirable to accomplish the following improvements:

1. Reduce travel time from Area headquarters to work sites;
2. Facilitate follow-up contact work on farms;
3. Assign personnel closer to work locations;
4. Locate offices away from areas of traffic congestion; and
5. Accomplish better work planning and scheduling.

Monetary savings are reflected in reduced travel expense.

Library Functions Surveyed.

Problems associated with journal routing by the Library, its archival functions, and services rendered to field offices were studied by the *Office of Administrative Management*, assisted by the *Office of Budget and Finance* and the *Library* staff.

Recommendations were made resulting in the following changes:

1. Journal routing was assumed by operating agencies, except in instances where services of the Library promote economy or provide publications not otherwise readily available;
2. The Director of the Library was relieved of archival responsibility for administrative materials, while retaining such responsibility for substantive materials pertaining to agriculture and its related sciences; and
3. Agency-operated field libraries were authorized at locations where concentration of research activities might warrant on-site library facilities.



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U. S. DEPT. OF AGRICULTURE
LIBRARY
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CURRENT SERVICE RECORDS

Management Improvement

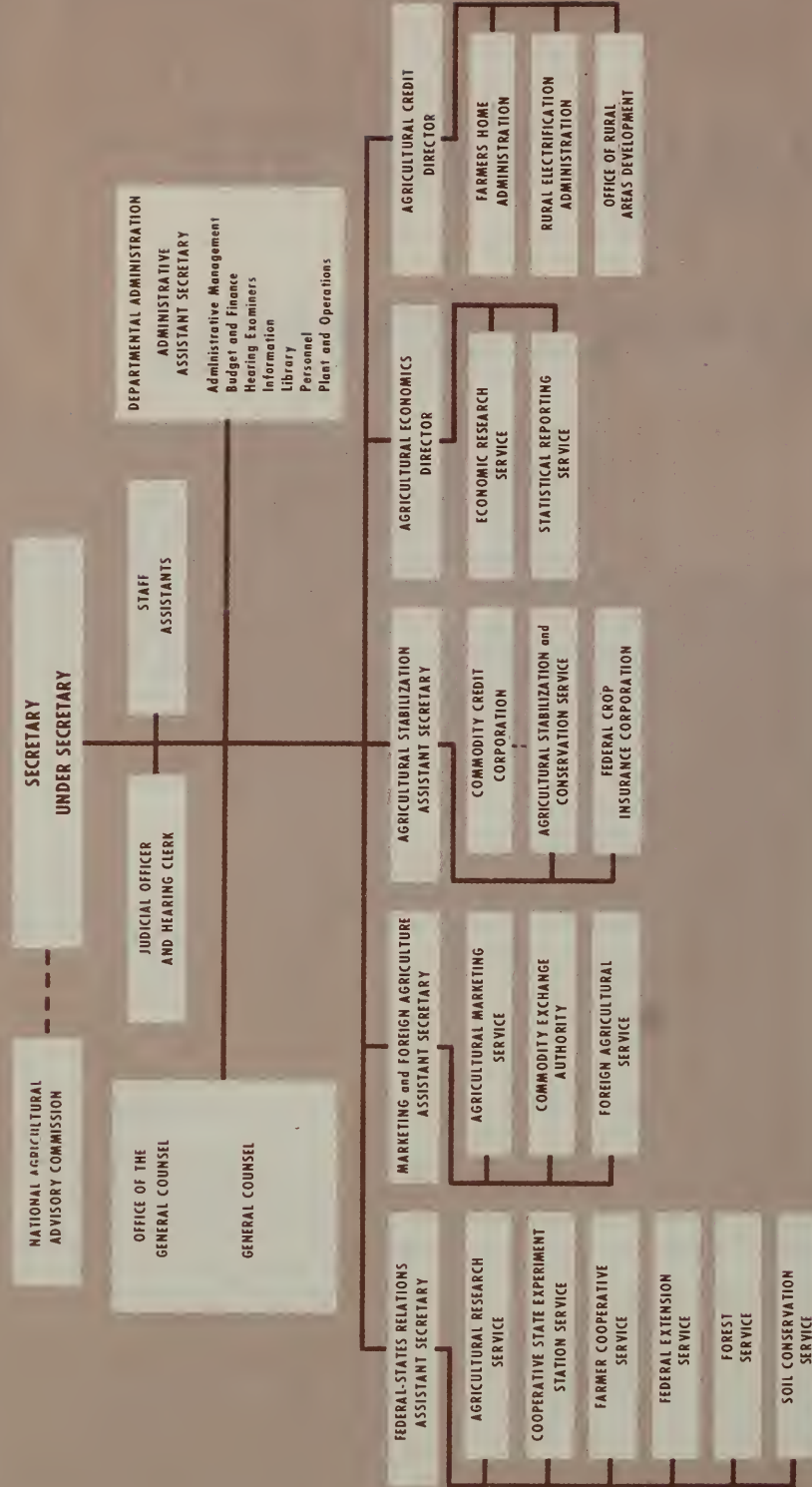
IN THE
UNITED STATES
DEPARTMENT OF
AGRICULTURE

1960-1961

Digest -- Prepared by

The Office of Administrative Management
U.S. Department of Agriculture Washington, D.C.

UNITED STATES DEPARTMENT OF AGRICULTURE

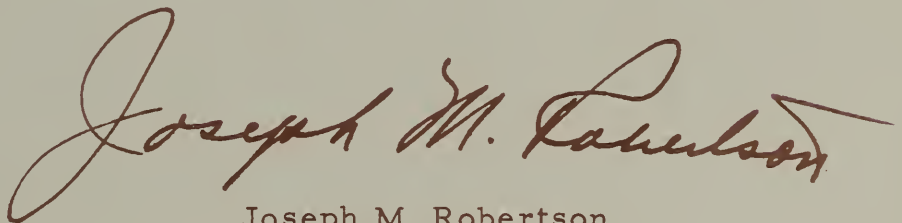


FOREWORD

This is a record of selected management improvements in the United States Department of Agriculture reported during fiscal year 1960-61. Some are more significant than others, but they have a common goal -- improved services to the public.

I hope that all of us are keenly aware of our opportunity and responsibility to contribute to improvements in our respective unit, agency and Department operations. The progress reported here is recorded in the hope that it will serve as a challenge in the year ahead.

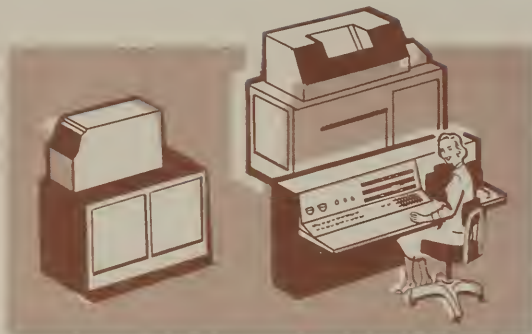
August 24, 1961

A handwritten signature in dark ink, reading "Joseph M. Robertson". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

Joseph M. Robertson
Administrative Assistant Secretary

CONTENTS

	Page
Administrative Services	2
Financial Management.....	7
General Administration	10
Paperwork Management.....	13
Personnel Management.....	16
Program Management	19



ADMINISTRATIVE SERVICES

Improved Offices Serve Farmers Better

Farmers and local business people who visit USDA offices throughout the nation now find that many of these facilities have been significantly improved. Some offices have been relocated to provide more convenient access and adequate parking space for visitors, or brought nearer to other activities serving local farmers. With the assistance and guidance of the *Office of Plant and Operations*, USDA agencies have evaluated their special needs for field office space, and instituted long-range improvement plans. Actions have included:

- Development of programs for better management and maintenance of real property, and disposal of inadequate or unneeded facilities;
- Qualitative evaluation of office space to identify and remedy deficiencies and inadequacies;
- Modernized treatment of interiors and work station arrangements, including furniture, fixtures, illumination, etc.;
- Development of individual agency guidelines designed to provide space arrangements adapted for service to the particular clientele.

Through attention to the office environment, business transactions can be handled with greater convenience and efficiency, satisfying both to employees and the public served.

Research Laboratories More Efficient

Increased research on expanded uses for agricultural commodities has heightened

the demand for adequate laboratory space and facilities. Comprehensive surveys have been made by the *Agricultural Research Service* to determine ways to more efficiently utilize existing space by rearranging facilities. Organizational functions have also been realigned. The surveys disclosed a definite need to develop detailed, long-range plans to upgrade the condition of laboratory buildings, grounds and equipment. Such a plan, placed in effect at one of the utilization laboratories is directed toward:

- (1) Significant economies in operating costs through use of more efficient equipment and services;
- (2) Improvement and modernization of the research plant which will in turn, increase efficient utilization of staff capabilities;
- (3) Efficient and pleasant facilities which will attract and retain the high caliber of scientific staff required for greater utilization of agricultural products in new ways proved practicable through research.

Systems Study Rejects ADP Application

Potential benefits of automatic data processing applied to operations in aerial photographic laboratories of the *Agricultural Stabilization and Conservation Service* were analyzed in a recent systems study. Revised procedures were introduced which provided speed and accuracy in current manual methods such as to preclude need for ADP. The improved operation was found to yield adequate products efficiently at low cost.

Action on Housing Needs Abroad

Suitable official and personal housing for 80 agricultural attaches stationed abroad has entailed numerous administrative problems for the *Foreign Agricultural Service*. Often time is lost on arrival at foreign posts in finding quarters, and shipment of household goods has involved delay, damage, and high costs.

Comparative studies indicated that greater economy would result from providing quarters at foreign posts. Through the Department of State, arrangements were made to lease 18 houses in 16 locations, quarters were provided for 9 officers in 7 locations, and permanent housing was acquired in 7 countries. Experience warrants further action to acquire Government-owned facilities, since problems of adjustment are simplified, effective performance is attained more promptly, and greater stability and better morale result.

Savings accrue by providing furniture and equipment at overseas points. Residential furniture can normally be purchased for the cost of shipping one full allowance of personally-owned household goods to and from a foreign post.

Inventory Items Cut 10%

First results from a re-evaluation of inventory standards for nonexpendable personal property show definite dividends for the *Agricultural Research Service*. Potential savings may be as much as a 30% decrease from an original inventory of about $\frac{1}{4}$ million items. Nearly twenty-five thousand diverse items - such as minor furnishings and furniture, laboratory components and glassware, certain types of tools and electrical switchgear - have, or are being eliminated from this inventory. This action results from studies which established that certain classes of low-value equipment can reasonably be excluded from the close inventory controls required for high-value or sensitive property.

Trip Coordination Attention Pays Dividends

In the *Forest Service*, an agency with a highly integrated annual work program, changes in scheduling of field station visits by Washington headquarters personnel appeared to have an unfavorable effect upon planned field work. A detailed analysis was

made of trip scheduling and completion, and of the impact created at field stations due to changes in planned field visits.

Based on results of this action, a travel review group composed of senior executives was established. They review the annual travel schedule before release to the field, and consider proposed deviations. This assures that trips are thoroughly planned and so scheduled as to cause minimum impact on field operations. Attention to planning and coordination of field visits has allowed more effective manpower and resource utilization both in Washington headquarters and at field installations.

ASC County Office Improvements

Through attention to space and equipment needs, more adequate facilities are being provided in many States to permit better service to farmers through county offices of the *Agricultural Stabilization and Conservation Service*. Counter installations made, as in North Carolina, permit uniform layout conducive to work simplification and increased work-load capacity without additional staff.

High-speed mechanized equipment, using plate inserts, is widely used for entry of repetitive data on numerous forms, for facsimile signatures, and addressing of mail. Larger offices use electrically-operated machines, while smaller offices have hand-operated units. Such equipment was used in Tennessee to make over 5 million impressions in the past year. Errors have been minimized, services expedited, and time saved which formerly was absorbed in manual and typewritten operations.

Revised Guidelines Clarify Case Actions

Fair and competitive pricing in commodity futures markets through enforcement of the Commodity Exchange Act is more easily maintained through use of recently revised guidelines furnished by the *Commodity Exchange Authority* to its field offices. Opinions of the General Counsel and administrative determinations pertaining to enforcement of this Act, last revised in 1941, were reviewed and brought up-to-date. New materials have been added to further clarify legal interpretations. The result is more rapid and effective action

Administrative Services--Continued

in the supervision of futures trading, and encouragement of ethical practices in commodity transactions on regulated markets.

Excess Property Utilization Expanded

Novel uses for such things as airfield landing mats, available from the Defense Department, helped USDA to utilize more than \$25 million of Federal excess property in 1960. The landing mats were used for corrals, fences, cattle guards and concrete reinforcement. These, as well as shell containers, auto parts, earthmoving machinery and similar items, have been used in agricultural activities, generally without additional cost for their purchase. Emphasis on excess property utilization is one major topic of Area Equipment Committee meetings held under the leadership of the *Office of Plant and Operations*.

Filmstrip and Printing Tips Foster Better USDA Publications

Nearly 100 new USDA publications each year provide current knowledge on agricultural subjects to farmers, processors, consumers, students, and other interested groups. Quality, clarity and effective use of new informational technique in these publications is enhanced through use of ideas contained in the *Office of Information's* new filmstrip "The Story of a Popular Bulletin." Directed to authors, editors and administrators who are interested in improving management of their publication work, this strip and its accompanying recorded commentary answer questions on how USDA bulletins are prepared, who writes them, and how they are edited, designed and printed.

Specialty printing techniques - How to use them effectively and economically - was the subject of a seminar in an allied field, also presented recently to more than two dozen agency representatives. Subjects included hints on information essential in order to carry out the objectives desired by the writer, and directions on how best to include it on orders for printing services.

Progress in Communications

Modern concepts of engineering and utilization introduced by the *Office of Plant and*

Operations combine to provide more effective and less costly communications for the Department.

Direct-in dialing provides faster answers for persons calling USDA Washington offices and agencies. The calls now go directly to the individual office telephone without intervention of a telephone operator. As a result, switchboard size was reduced from fourteen to seven positions, providing savings in personnel and space costs.

Greater utilization of the GSA Government Toll Exchange Service - a network of leased telephone lines to major cities, offering toll rates at substantially lower cost than regular commercial rates - saved \$10,000 during the first 10 months of 1961.

Rearrangement of telegraphic equipment, improved furniture, soundproofing, lighting and furnishings provided more efficient operation at a savings of 400 square feet of office space. Use of these innovations shows progress in communications and savings in operating costs in handling more than 150,000 messages in the past year.

New Technique Speeds Foreign Communications

Expeditious distribution of field economic intelligence reports by agricultural attaches of the *Foreign Agricultural Service* is being accomplished through use of a new technique. Master plates for offset printing are rapidly made from original reports through use of new copy equipment, reproductions are made and distributed to Federal agencies, agricultural trade groups and other interested end-users. This technique combined with rapid transmissions services now allows more timely distribution of significant trade items to U. S. agricultural export and import groups through established USDA market news channels. In reverse, more rapid communications to agricultural attaches are expediting the sale of U. S. agricultural commodities overseas.

Space Criteria Revised

Space arrangements in the USDA South Building in Washington involve 4000 office rooms, shared by approximately 7400

employees of fourteen Department agencies and ten other organizations. Occupancy standards developed by the *Office of Plant and Operations* are essential to effective management.

Recent installation of an air-conditioning system required remeasurement of usable space, office-by-office throughout the building. The computation entailed establishment of ratios of employees to space occupied and standards applicable in differing categories of space usage. Scale plans have been revised to indicate structural modifications caused by the air-conditioning system. Revised utilization guides are now up-to-date to provide criteria needed in making current space adjustments.

Fast Action Key to Successful Program

Passage of the Feed Grain Bill (P.L. 87-5) in March 1961, required fast action to permit participation of farmers before extensive planting began. Within three days, State offices of the *Agricultural Stabilization and Conservation Service* were informed of program provisions. National distribution of forms, information bulletins, and operating procedures was quickly accomplished. Thirty-one percent of the base acres for grain sorghums and twenty-three percent for corn were diverted from grain production in 1961. Forty-two percent of eligible farms participated.

Estimated savings in storage and handling costs on surplus grain attributable to this land retirement program approximate \$500 million.

Light Colors Aid Office Efficiency

Application of research studies by the *Office of Plant and Operations* is helping to provide the USDA with offices which contribute to more output of higher quality work and to greater employee comfort. For example, white papers on a dark desk top generate eye-strain by reason of a 20 to 1 contrast of reflected light. An inexpensive light green desk top developed to meet USDA requirements can cut this glaring contrast to a comfortable 3 to 1 ratio. These principles are carried through to suggested light and color combinations for walls, floors and furnishings. New USDA facilities are including these considerations, and these same principles are being introduced in older facilities when re-

bished. Studies show results in better quality and higher volume of production, and greater employee comfort and satisfaction.

New System of Reports Processed by ADP

A unified timekeeping system was installed through the *Soil Conservation Service* which provides for distribution of personal services (time and cost) to various program activities, through automatic data processing. Data developed from this process, itemized by location and work activities, will be useful for operations management and for budget and reporting purposes. It is estimated that time of SCS personnel amounting to \$400,000 will be diverted from time and activity reporting to productive technical and other work as a result of this improvement.

Consolidated Office Benefits All

One-stop service for the farmer, businessman and consumer - and a more efficient and pleasant work station for USDA personnel - is now available in Raleigh, North Carolina. Seven USDA agencies and offices occupy a new building recently leased by the Department. The office space incorporates improved standards for efficiency and convenience to the public, as developed by the *Office of Plant and Operations*. It also provides more adequate work facilities and offers opportunities for joint administrative services. Joining in this consolidated USDA office are the Agricultural Stabilization and Conservation Service, Farmers Home Administration, Federal Crop Insurance Cooperation, Soil Conservation Service, Agricultural Marketing Service, Agricultural Research Service, and the Office of General Counsel.

Manual Defines Administrative Services

Comprehensive efforts have been made by the *Agricultural Research Service* to improve the administrative activities supporting action programs. To provide convenient and effective aid to the research scientist and the regulatory officer, the responsibilities for administrative services, budget and finance, and personnel functions have been further defined for each organizational level. These definitions are part of the first edition of an Administrative Management Manual recently distributed among the management divisions, Regional Business Offices, and the pro-

Administrative Services--Continued

gram divisions, Regional Business Offices, and the program divisions. The value of this manual in providing a clearer understanding of administrative management responsibilities has already been recognized, as has the need for continuing attention to exploit new opportunities to further program objectives.

Guidance Given in Traffic Management

The great variety of shipments made by USDA agencies, using land, air, and water

transportation, includes such diverse items as explosives, plant and insect specimens, frozen animal tissue, pathological materials for laboratory inspection, motion picture film, and tape recordings of statistical data. To effect economy, expedite service, and assure proper handling in transit of these and other types of shipments, the *Office of Plant and Operations* has issued simplified procedural instructions applicable at the thousands of points where shipments originate. The instructions also provide criteria for shipment of small packages, which often involve problems in field offices.



FINANCIAL MANAGEMENT

Fiscal Procedures Improved

Examples of Department-wide changes introduced by the *Office of Budget and Finance* include:

- (1) Development of a simplified system for accurate computation and payment of deductions and contributions under the Federal Employee Health Benefits Program, including design of forms;
- (2) Consolidation of Budget Bureau regulations governing travel and transportation upon change of official station for inclusion in the Department's administrative regulations;
- (3) Simplification of payment procedures for credit card purchases of gasoline, oil, etc., by eliminating the need for matching delivery tickets with billing copies of the tickets, resulting in expected savings in employee time of over \$50,000 annually, and
- (4) Improvements in procedures for designating and documenting the appointment of authorized certifying officers through the delegation of appointment authority to USDA agencies.

Utility Accounting Principles Adopted

The *Rural Electrification Administration* completed a review of its uniform system of accounts for electric borrowers, conforming the accounting system more closely with that of the Federal Power Commission. The revised system incorporates up-to-date accounting terminology, and accounting interpretations. Instructions were simplified and text material substantially clarified.

Accounting for nuclear production plant was added. The revised accounting system will enable REA borrowers to adapt their accounting more closely to that of the electric utility industry. It will also permit the reporting of financial data on a basis more uniform with the industry.

Internal Audit Utilizes Scientific Sampling

Scientific sampling using modern statistical techniques is proving both effective and economical for internal audit activities of the *Agricultural Stabilization and Conservation Service*.

More than 50 million documents each year result from approximately 1 million price support loans to farmers and the management of an inventory currently valued at more than \$7 billion. Senior auditors participating in testing of this new technique were furnished with detailed information on the application of scientific sampling (as applied to 10 operational activities in Commodity Offices). This study, at the Dallas Commodity Office, indicates that selections based on mathematical probability can be an effective means for (1) better work planning and control by ascertaining the extent of required sample prior to the annual field audit, (2) effective substantiation of conclusions reached as a result of the audit, and (3) more economical utilization of manpower. Results of this test are being made available both within the Department and to interested professional groups.

Financial Management--Continued

County Office Loan Accounting Streamlined

Faster service, reduced workload and quicker training of new personnel resulted from the *Farmers Home Administration* redesign of the system for real estate loan records at county offices. National Finance Office now provides annual statements for each account, eliminating dual bookkeeping and the previously required reconciliation of accounts between National and county offices.

Food Stamp Plan Procedures

A system of accounting for and processing food coupons was developed by the *Agricultural Marketing Service* for use in the eight locations where pilot food stamp projects are operative. Under this system State certifying agencies determine - based on income, food needs and other factors - the amount of cash to be paid by each household unit for its coupon allotment. County and city officials deposit the cash received from coupon sales in designated depositories. The system permits grocers and wholesalers to redeem coupons through regular commercial banking channels.

Accounting Improvements Aid Research Effort Abroad

Sale of U. S. agricultural products in foreign markets is aided by various research activities oriented toward greater utilization of American commodities and products by the foreign consumer. Research performed overseas for this purpose is paid for with foreign currencies acquired by sale of these products abroad under terms of the Agricultural Trade Development and Assistance Act of 1954 (P.L. 480).

Effective utilization of foreign currencies in this program requires timely and accurate financial reporting. An adequate fund control system providing periodic valuation of foreign currencies in terms of U. S. dollar equivalents is also essential. An improved accounting system to meet these needs resulted in the elimination of more than 200 general ledger accounts, nearly 400 project ledgers, and supplanted two reports totaling 75 pages with one

simplified 5-page report. Action by the *Office of Budget and Finance* in collaboration with two USDA agencies rendered the system more responsive to program needs, brought about economical use of manpower and eliminated a substantial volume of paperwork.

Accounting Adjustments Streamlined

Transfers of funds between appropriations, authorized when severe forest fire conditions deplete funds appropriated for this purpose, have been simplified. Developed as a cooperative project between the *Forest Service* and the *Office of Budget and Finance*, the new procedure utilizes a single account maintained at the field office. In the past, when appropriations for this purpose were depleted, and other authorized funds were used temporarily, field offices were required to keep separate accounts for each of the various funds involved. Adjustments between accounts are now made centrally in the Washington office, relieving field offices of a substantial clerical workload during periods of fire emergency, and facilitating the central management of funds.

New Cooperator Bond More Flexible

Foreign currency advances made by the *Foreign Agricultural Service* in furtherance of market development activities are placed under a "cooperator's bond." This bond guarantees adequate protection of U. S. funds advanced to foreign corporations and individuals cooperating in the furtherance of programs to develop overseas markets for U.S. agricultural products. A recently developed bond format now clarifies the extent of liability of the surety organization and also significantly reduces paperwork. Under this new agreement no specific termination date is required, new projects may be added in certain countries, and a rider is provided to meet changes in program activity. In addition to operational flexibility, this new bond format considerably reduces communications formerly required between FAS headquarters and foreign stations.

Financial Management Uses ADP

Recording of all administrative costs and obligations by cost center and object classification by the *Rural Electrification Administration* was recently changed from hand-posting to automatic data processing equipment. This new process facilitates the preparation of reports for management, including comparisons of obligations with financial plans by cost centers, and statements of allotments and obligations. In addition, a savings in man-hours and production costs has been realized.

Combined Report Serves Multiple Purposes

Department staff offices have in the past required from operating agencies separate reports covering budget expenditures, employment figures, and obligations for personal services. A coordinated Departmental approach, giving consideration to the detailed data required, now provides a single simplified report. Developed by the *Office of Budget and Finance* in cooperation with the *Office of Personnel*, the combined report incorporates information from the agencies required (1) by the Executive Office of the President, (2) by the Congress, (3) for special budgetary analyses, and (4) for a monthly report to the Secretary.



GENERAL ADMINISTRATION

Economic Research Activities Centralized

Economic functions and activities of the *United States Department of Agriculture* were formerly assigned to several program agencies. In order to provide for an orderly flow of intelligence concerning the nation's agricultural economy, a renewed emphasis on economic research and statistical activities was desired.

Task forces established to examine the present status of economic activities within the Department developed and recommended appropriate measures to accomplish the objectives. Responsibility for economic functions and actions located in three program activities were consolidated in two newly created agencies, the Economic Research Service and the Statistical Reporting Service, under the Director, Agricultural Economics, a recently established position within the Secretary's staff.

Through utilization of existing personnel and operating within the present budget, the Department is now providing renewed emphasis to economic problems affecting the nation's farm economy.

Forest Service Organization Study Completed

Rapid growth of the Forest Service, particularly in the last ten years, and the substantial projected increases in the workload and facilities over the next decade, underscored the necessity of evaluating the organization structure in terms of both present and future requirements. Recognizing this problem, the study was undertaken by the *Forest Service* to:

- (a) Critically analyze and evaluate the present organization;
- (b) Identify opportunities for improvement, based on present needs and future requirements;
- (c) Develop solutions to organizational problems and suggest methods for strengthening the total organization to better meet present and future needs.

The study resulted in 35 organizational improvement recommendations for better utilization of resources. Several recommendations have already been implemented. Action is scheduled to accomplish those proposals which received the approval of the agency head.

Duplication Cut in Legal Claims Work

Action is now expedited on claims against the Department presented under terms of various laws pertaining to suits against agencies of the Federal Government.

Previously, the agency involved might complete its investigation of a claim, submit the case to a field office of the General Counsel for review and an advisory opinion, then to the *Office of General Counsel*, Washington, D. C., for review and appropriate final opinion and action. Now, the field attorney prepares his opinion on the claim in final form. The Washington office then reviews the field action as part of preparation for payment or other appropriate disposition. The net result is more rapid service to the public and to agencies of the Department, and a saving in professional and clerical time.

Positive Action for Program Support

The *Agricultural Research Service* has adopted a positive approach to assure maximum effectiveness of activities which support basic program functions. The Administrative Services and the Budget and Finance Divisions have established Program Planning and Development staffs to:

- Advise their respective Directors' concerning adequacy of their division's overall efforts;
- Conduct studies to develop recommendations on new or revised programs and projects;
- Evaluate the progress and effectiveness of individual units;
- Develop and review procedures in each area.

In conjunction with agency-wide administrative management improvement activities, these staff groups are supporting an overall objective to realize the maximum potential capability for scientific research and regulatory progress.

ADP Applications Studied

A comprehensive systems study was completed of all *Forest Service* programs to determine the practicability of utilizing automatic data processing to further increase efficiencies. The study was designed (a) to determine the type, size and location of machines, related facilities and personnel to most efficiently meet automatic data processing needs, and (b) to coordinate data processing techniques and related procedures to attain an integrated process which eliminates overlap and duplication.

Emergency Planning Extended to Field

Through joint efforts of staff office and agency personnel, a document was prepared and published on "Defense Mobilization Planning to Assure Continuity of Essential Functions in Event of Civil Defense Emergency."

A basic consideration in *USDA* defense planning is the concept of "built-in-readiness" integrated with the Department's regular and continuing activities.

The publication provides for: (a) emergency planning committees at the county and state levels, (b) regional liaison with

civil and defense mobilization authorities, and (c) an outline of headquarters responsibilities. In over-all perspective the document affords Department employees the uniform understanding needed for concerted planning and cooperative action.

Digest an Aid to Management Consciousness

Dissemination of selected reading materials is being used in the *Agricultural Research Service* to promote better management. A Management Digest is distributed periodically, each issue of which presents selected articles on a particular subject of interest, such as:

- Self-Development
- Communication, Tool of Management
- Barriers to Communication
- Completed Staff Work
- Professionalism in Management

Careful selection of material for the Digest saves the time of agency officials in keeping abreast of current management literature and produces excerpts oriented to agency problems and conditions. In addition to strengthening management consciousness in ARS, the Digest is being used for training purposes in the agency supervisory development program.

Federal-State Agreements Simplified

Federal-State participation in cooperative extension programs has for a number of years entailed use of project agreements documenting activities on which annual plans of work were developed and progress reports submitted. As many as 26 such agreements might be made with a single State.

Through joint effort of State Extension Directors, the Extension Committee on Organization and Policy of the Association of Land Grant Colleges, and the *Federal Extension Service*, documentation is being reduced to 8 project areas. This simplification will place all States on a common project base and strengthen planning of cooperative undertakings, with less paperwork and more effective administration.

Forest Ranger District Criteria

Optimum attainment of objectives related to management and administration of

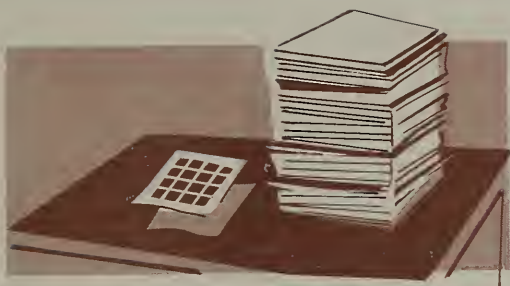
General Administration--Continued

national forest resources by the *Forest Service* is directly influenced by the size of the ranger district, which is the front-line unit of organization. Guidelines have been developed for determining the most effective size of each district, considering such elements as volume of business activity, complexity and diversification of workload, and size of forest and natural resource acreage.

Establishment of district size based upon the most equitable and balanced workload a ranger could reasonably be expected to perform, has resulted in better utilization of manpower and funds. The final objective - effective application of national resources for the benefit of the public.

USDA Affiliated With Professional Management Group

To assist *USDA* officials in keeping informed of developments in the field of management, applicable to Government service as well as private business, the Department and its agencies have subscribed to membership in the American Management Association. Attendant privileges provide professional management information in the form of periodicals, management reports and research studies, special library and other research services, and discounts on fees charged for attendance at conferences, seminars, and workshops.



PAPERWORK MANAGEMENT

Reporting Requirements Modified

Department staff offices, acting on agency recommendations, have eliminated or curtailed extensive reporting requirements imposed by the Department or by outside agencies. In response to a program of reports review, initiated by the *Office of Administrative Management*, agencies identified 52 recurring reports which might be simplified, rescinded, or prepared less often. Where possible, reports were discontinued, revised in part, or reduced in frequency. Similar action on internal reports prescribed by individual agencies is an objective of the Departmental program authorized by Secretary's Memorandum No. 1420.

Consolidated Review Saves Effort

A joint review has been completed of "public data" forms by the *Agricultural Marketing Service* and the Bureau of the Budget. These forms are used in collecting data from private firms and individuals and, under the Federal Reports Act, require approval of the Budget Bureau. In lieu of considering individual reports separately, procedure has been instituted for a single review and approval of related forms, questionnaires, and other types of inquiries associated with specific AMS programs. A number of obsolescent forms were eliminated. This review, begun within the Agricultural Marketing Service, will be extended to other USDA agencies.

Less record-keeping and fewer administrative actions will be required, thereby reducing paperwork both in USDA and in the Budget Bureau.

Brokers Cooperate in Better Coding System for Commodity Accounts

Code numbers assigned to customer accounts by brokers operating on the Chicago Board of Trade and the New York Cotton Exchange are also used by the *Commodity Exchange Authority* in regulation of futures trading on such markets. Because a variety of systems were used for account numbers and many accounts become inactive, over a period of time, complex difficulties were introduced into CEA procedures. Brokers serviced by the New York and Chicago CEA offices were requested to reassign account numbers, using an all-numeric identification system in place of varied alphabetic and combination systems. They were also asked to authorize cancellation of inactive accounts. Favorable action permitted CEA offices to eliminate inactive accounts and, more importantly, capture the numeric account identification on punched cards, enabling cross-filing on a numeric, customer, and broker basis. The result of this streamlining operation was better control and more efficient use of this voluminous, confidential material.

National Uniform Filing System

Maintenance of operating records in more than 3,000 ASCS field offices is facilitated

Paperwork Management--Continued

through use of a single, comprehensive records system. Retention periods, filing guides, and preprinted colored labels for the many different programs and commodities have been standardized. Benefits in maintaining about 300,000 cubic feet of records include systematic training of personnel, ease of filing and finding, reduced file space, and convenience to auditors of the *Agricultural Stabilization and Conservation Service* who find similar filing arrangements in all States.

Open Shelf Filing Saves Space and Time

Modern techniques of paperwork management are being adopted in many USDA agencies. As one example, the *Farmer Cooperative Service* now maintains an open-shelf filing system for case files. These contain organization papers, financial and statistical reports and other vital data on associations participating in the Annual Survey of Farmer Cooperatives. Open-shelf filing, in lieu of legal-size file cabinets, saved 125 square feet of floor space, improved access to the material, provided adequate work space, and eliminated previous congestion. In addition to better space utilization the reorganization of files and equipment is resulting in increased accuracy and saving of time.

As another example, the *Office of General Counsel* reduced by 40% (500 square feet) the amount of floor space required for filing equipment and cut in half the amount of time required to answer a request for filed material. Similar installations are being considered for some field offices.

Five Loan Forms Combined Into One

Five separate forms, used by County Committeemen of the *Farmers Home Administration* in certifying various types of FHA loans, have been combined into a single certification. The substitution of this one form eliminates the work and cost of printing, distributing, and maintaining five separate forms used in the agency's more than 1400 field offices.

Legal Actions Speeded

In enforcement of the Packers and Stockyards Act, the *Agricultural Marketing Service* depends on the Department of Justice to prosecute legal actions. By delegating to district supervisors authority to notify regulated firms when required annual reports are not submitted, correspondence is curtailed and more immediate legal action can be instituted, saving as much as two months on each of 40 to 50 cases handled annually. When persons subject to regulation fail to register and furnish bond, an investigative report is made to initiate legal action. Use of a newly-devised standard investigative report is helping U. S. Attorneys to process cases in three months which formerly required as much as nine months.

Reporting Regulations Simplified

Regulations of the *Commodity Exchange Authority* under which members trading in commodities on futures markets are required to report their transactions, have been revised to remove repetitious detail, improve readability, rearrange layout and provide logical descriptive headings. Results are shown in a text reduced from 50 to 10 pages, easier to use and understand, and which contributes to effective compliance and enforcement of futures trading requirements in commodity exchange operations.

Better Correspondence Through Training

Significant progress is recorded by the *Agricultural Marketing Service* in its "Plain Letters" Workshops. Approximately 1,250 employees who write extensively, from division directors to clerical personnel, have attended these 8-hour sessions. These Workshops, inaugurated in the Department by the *Office of Administrative Management* and based upon a GSA-developed course, contribute to better correspondence practices.

Travel Voucher Form Modernized

A rearrangement in design and the consolidation of various items has modernized

the SF-1012, "Travel Voucher", a document familiar to Federal Government travelers. Developed by the *Office of Budget and Finance* from suggestions made by USDA employees, this revised form has been approved by the Comptroller General and made available for Government-wide use.

Storaform Box Gains Increasing Acceptance

A fiber board box designed by an analyst in the *Office of Administrative Management* especially for shelf-filing of forms and other letter-size material has been widely accepted. While storage cost in a five-drawer file cabinet is estimated at \$6.70 per linear foot, "Storaform" storage on shelving approximates \$2.09 per linear foot. In addition, shelf-filing normally occupies fewer square feet than file cabinets (in a ratio of 3 to 5). The box is suitable for various types of protective filing for

periodicals, handbooks, publications, and loose papers.

Volume of Records Being Reduced

Progress in control of records holdings, reflected in the latest biennial report (1960), indicate Department trends shown below:

- (1) Total volume of 884,598 cubic feet was down 2.2 percent from the previous year (representing disposition during the year greater than the new records accumulated).
- (2) Fifteen agencies registered a decrease, while six agencies experienced an increase in records holdings.
- (3) Reflecting decentralized operations, 760,423 cubic feet (86 percent) were maintained at field locations in contrast to 124,175 cubic feet (14 percent) in Washington.
- (4) Net reduction of records on hand was equivalent to 3,052 fewer standard-size four-drawer filing cabinets.



PERSONNEL MANAGEMENT

Training in Administrative Management

Inter-agency training in administrative management (TAM) has been sponsored on three levels. Regional TAM Institutes provide two weeks of training for field personnel, designed to (1) improve management skills of participants, (2) increase understanding of USDA programs, and (3) train participants to conduct local TAM Workshops of one week's duration, generally in a State or metropolitan area. In addition, the program has been extended to provide opportunity for Washington personnel to attend one-week Workshops.

Summary data for the fiscal years 1960 and 1961 are summarized below:

	Number of Number Participants	
Regional TAM		
Institutes	2	72
Field TAM Work-		
shops	29	854
Washington TAM		
Workshops	4	120

A total of approximately 1500 participants in middle management positions have received TAM training in the past five years.

Colleges Increase Interest in USDA Employment Opportunities

Many of the Land-Grant Colleges and Universities, as well as other educational institutions are sponsoring "Career Carni-

vals", typically a week during which prospective graduates are interviewed for employment by business, industry and government. The Department's *Office of Personnel*, in conjunction with USDA agencies, participated in more than 80 of these functions in 1960 and 1961. A portable "USDA Career Exhibit" was developed for use in connection with these visits. It presents a creative resume of the many USDA career opportunities available for the college graduate, and also provides attractive surroundings and an efficient work area for interviews.

The large demand for the booklet "Career Service Opportunities in the U.S. Department of Agriculture" is being met, in part, by printing 37,000 copies of a companion brochure. The use of this brochure provides more economical informational material for general dissemination. College and university faculties throughout the U.S. have cooperated in USDA efforts to advise students concerning job opportunities in USDA.

Organization Survey Gears Staffing and Workload

Operations in the New Orleans Commodity Office of the *Agricultural Stabilization and Conservation Service* have entailed annual swings in employment from less than 1000 persons to about 2000 at peak periods. Through comprehensive analysis of organization and job structure by local representatives and staff assigned from Washington, 22 recommendations were

formulated to assure staffing patterns and delegations of authority responsive to managerial planning and control. A division of management analysis was established for continuing study of operating problems, particularly those that involve inter-relationships and procedural change.

Incentive Awards Reflect Accomplishments

Recognition of increased efficiency and improved service in USDA during the fiscal year 1960 is reflected in the summary data below:

<u>Cash Awards</u>	<u>Number</u>	<u>Amount</u>
Awards for employee suggestions	1,373	\$53,000
Awards for superior performance	1,827	\$348,665

Semi-annual reports ending December 30, 1960 indicate a substantial increase to be expected for fiscal year 1961.

<u>Honor Awards</u>	<u>1960</u>	<u>1961</u>
Distinguished Service Awards	8	7
Superior Service Awards	94	99

Outstanding Award for Outstanding Performance

Estimated benefits of approximately \$3,900,000 in one fiscal year resulted from an employee suggestion adopted in the New Orleans Commodity Office of the *Agricultural Stabilization and Conservation Service*.

An award of \$4,515 was made to Olen W. Salisbury, Jr., in recognition of the savings realized, which constitutes the largest award made in any civilian agency of the Federal Government.

The proposal involved substitution of electronic data processing for manual operations entailed in accounting for transportation costs in the sale of baled cotton.

Stress on Supervisory Training

In the *Agricultural Research Service* new stress is being given to supervisory de-

velopment. The program is designed to provide a well-balanced set of supervisory skills through training classes built around six major areas of supervision:

- Duties and responsibilities of a supervisor;
- Work planning;
- Rules and rule enforcement;
- Appraising subordinates;
- Delegation of authority; and
- Management controls.

Immediate benefit to ARS supervisors has been evidenced in the exchange of successful management techniques, greater understanding of operating problems, and a broader concept of their supervisory positions and responsibilities.

Secretarial Competence Further Developed

Recognizing that the individual secretary has an unique opportunity to contribute to efficient conduct of office operations, the *Foreign Agricultural Service* has initiated a formal course in secretarial training. It consists of eight two-hour sessions concerning official contacts and human relations; administrative procedures, and the functions and organization of FAS and the Department. More than 150 secretarial employees, GS-7 and below, have participated in these sessions.

Effective Executive Training

Practical experience in the resolution of actual administrative and program problems is the aim of the Junior Executive Training Program (JETCO) at the Kansas City Commodity Office, of the *Agricultural Stabilization and Conservation Service*. Five employees are selected each year to serve as an advisory counsel recommending action to top management on assigned program and administrative matters. Recommendations of this group have been accepted, in whole or in part, on over half of their assignments.

Combination Form Standardizes Procedure

Accelerated activities under the Government Employees Training Act (P.L. 85-507) include training of Departmental employees in non-governmental facilities. Use

Personnel Management--Continued

of this authority in conformity with the Act requires proper documentation and approval of each case. An experimental form developed by the *Office of Personnel* proved effective in providing a single permanent record of the several steps required for administrative action, including authorization for disbursement of funds. The form was further revised and is prescribed for use throughout the Department as AD-281, "Request and Authorization for Training."

Professional Development for Management Advisers

Rendering advice to farmer cooperatives on better management and operations requires that the consultants possess a full understanding of the most current professional information. To this end, the *Farmer Cooperative Service* professional staff participated in a 3-day workshop conducted by the Executive Development Center, University of Illinois. Topics considered were:

- (1) Management responsibility and concepts;
- (2) Priority and process of planning and control;
- (3) Organization and reorganization;
- (4) Creative approach to decisionmaking; and
- (5) Leadership.

Advice and assistance to farmer cooperatives on more effective management practices involves also exchange of information among FCS staff members on a continuing basis. Staff meetings are one means used to accomplish this objective.

New USDA Wage Manual Prepared

A significant change in the Department's wage administration program is embodied in a new USDA Wage Board Manual prepared by the *Office of Personnel*. It provides for a better organized and more consistent application of modern rate-setting practices for wage board jobs. Prior approval of new individual wage board classes by the Office of Personnel is eliminated. Direct coordination of job evaluation in concert with other Federal Departments provides for uniform determinations not always maintained under previous practice. The new manual deals with 28 job families, 96 series of positions and approximately 190 non-supervisory classes. It includes also criteria for evaluating supervisory and working leader positions.

Contract Negotiation Institute Developed

Mindful of the need for an adequate body of knowledge and of a lack of formal training in the intricacies of contract negotiation on behalf of the Federal Government, the *Office of Plant and Operations* has developed and coordinated two training institutes on contract negotiation. Instruction was provided through the USDA Graduate School, utilizing the experience of twenty experienced instructors from Government and private life. These 5-day institutes were attended by a total of 150 persons representing over 20 Federal agencies. Future institutes are planned to meet the demonstrated need for training and information in this field.



PROGRAM MANAGEMENT

Progress Toward Department Goals

Positive goals for current agricultural programs include these objectives:

1. Better utilization of the Nation's abundant agricultural productivity;
2. Strengthening of the agricultural economy;
3. Recognition of agriculture as an integral and indispensable part of the Nation's entire economy and future well-being.

Significant improvement in levels of consumption and nutrition are reflected in aid to needy families and distressed areas. Food distribution was expanded to $6\frac{1}{2}$ million people in June as compared to 4 million in January, 1961. Agricultural exports reached an all-time high in the fiscal year 1961, estimated at \$4.9 billions. A survey was initiated of world food needs in order to gear programs to meet the deficit of food requirements in the free world.

Favorable action by the Congress on the 1961 Feed Grain Program has contributed to an increase of about 10 percent in farm income while reducing expense for Government-owned commodities. Through research and marketing programs, through credit facilities and dissemination of information, the Department has undertaken to improve its agricultural services.

Problems of underemployment and low income in rural areas are being attacked in a program of Rural Areas Development. This program brings the combined resources of the Department to bear on rural area economic problems, in support of local initiative and action.

Increasing realization that technological advance contributes to abundant farm production, but also influences unemployment in industry, is stimulating broad cooperation between rural people and city dwellers on a common problem.

Production Gain From Integrated Data Processing

Mechanized handling of loading order settlement data from source documents in the Minneapolis Commodity Office of the *Agricultural Stabilization and Conservation Service* has increased production rates by 40%, equivalent to a saving of 19 man-years. Production in the previous four years had been nearly constant under manual methods.

State ASC Programs Effective

Intensive training of reporters who check compliance aspects of *Agricultural Stabilization and Conservation Service* programs on farms, contributed to lower unit costs and reduced the number of reporters by 75% in Pennsylvania. Other States have had similar success in getting better quality and timeliness of reporting with less need for supervising reporters. A system introduced in Texas for paying performance reporters for units of work done resulted in substantial savings.

In lieu of a bound volume issued annually to list approved ACP practices, Indiana and

Program Management--Continued

Wisconsin have adopted a loose-leaf handbook. Year-to-year changes in program are issued as amendments, with cumulative economies in time and money. Maryland has introduced a similar handbook and has also studied processing of basic forms through time and flow analysis.

Revised Regulations for Produce Industry

Recent changes in regulations issued under the Perishable Agricultural Commodities Act constituted the first major revision in nearly 30 years. Industry conferences were used by the *Agricultural Marketing Service* to improve industry-Government relations and promote better understanding of trade developments. The regulations officially promulgated were published in pamphlet form for distribution to the produce industry. Revisions made reflect changes in current marketing practices, delineate more clearly duties and responsibilities of licensees, and phrase the regulations in non-technical language for easier understanding and interpretation.

In an allied area, administration of the Packers and Stockyards Act, a new work handbook supplements the Act and Regulations and promotes nationwide uniformity of enforcement.

National System of Work Measurement Introduced

Principal items of work carried out in nearly 3,000 Agricultural Stabilization and Conservation County Offices have been identified in a work measurement system introduced nationally by the *Agricultural Stabilization and Conservation Service*. Weight factors are used proportionate to the time and cost for the work involved. The workload determinations are used for budgeting administrative funds, classifying county office manager positions, and related managerial objectives such as more effective manpower utilization, work planning and organization studies, systems improvement and similar purposes.

Crop Insurance Sales Extended

By timely dissemination of actuarial statistics, insurance rates, and other basic information, the *Federal Crop Insurance Corporation* is enabling its field representatives to provide better service to farmers and extend participation in the program. Heretofore, it was not possible for farmers to purchase insurance on spring and fall crops at the same time for lack of applicable rates and insurance terms.

In counties where such insurance is offered, contracts may now be sold providing spring and fall coverage. Earlier release of data permits more effective work by sales representatives and gives farmers better opportunity to determine in advance the crop protection desired for the next year's planting. Year-round sales activity supersedes previous practice involving intensive campaigns in advance of planting seasons.

Fumigating Costs Minimized

To preserve milled rice in storage formerly required monthly fumigation with methyl bromide in sealed air space. Research conducted with industry representatives by the Dallas Commodity Office of the *Agricultural Stabilization and Conservation Service* resulted in a more effective method costing one-fourth as much. The new method, effective for several months, entails use of a polyethylene tarpaulin to cover large quantities of the rice. A cyanide gas, HCN, is introduced under the tarpaulin and injected until insects placed in a cage at the center of the stacked rice are dead. Annual expense of \$77,000 compares with previous costs of about \$300,000 per year.

Dry Milk Sampling Costs Lowered

More rapid sampling and analysis of dry milk and other dairy products stored under government control is now possible, in many instances at lesser cost.

Flavor and moisture content are important measures of the quality and condition of non-fat dry milk. Tests are performed periodically by the *Agricultural Marketing Service* on approximately 200 million pounds of this product stored in

about 145 warehouses throughout the United States. A previous procedure required that samples be individually shipped to a laboratory for analysis. Improved methods now utilize a composite of five samples. This combined sample is adequate for normal analysis. Its use has allowed a 25% reduction in the fees for sampling, with additional savings due to the need for fewer laboratory analyses. Reduced fees for grading of stored butter and cheese were also placed in effect where larger quantities in storage allow savings in travel and other overhead costs.

Power Tools Aid Soil Survey Production

Specialized power equipment is aiding USDA soil scientists to accelerate soil survey projects.

Hand augers, long used for extracting samples of subsurface soils, have been superseded by more than fifty power-driven soil augers now in use at field installations of the *Soil Conservation Service*. This technique extracts an undisturbed column of soil providing a higher quality sample. Soil scientists can make more and deeper test borings per acre, when desirable due to conditions present in surface soils. Substantial economies are attributed to the increased number of acres mapped under the improved method without comparable increase in employment of soils scientists. Improved technical methods and equipment have also been utilized in land leveling, drainage, irrigation and other SCS operations designed to conserve the nation's agricultural resources.

Faster REA Telephone Loan and Construction Procedures

Simplified REA telephone loan applications and associated planning work, lower engineering costs, and a greater participation by the borrower in the responsibility for loan planning, were the objectives of a special study committee in the *Rural Electrification Administration*. Actions taken were:

- (1) Two major study reports were consolidated into one "Basic Plan System" for market surveys and basic engineering planning.
- (2) Special forms for tabulation of construction bids were eliminated. Field personnel received additional au-

thority for final approval of plans and specifications. Scheduling and progress reports were streamlined, and final documents condensed.

The result is faster service and better utilization of both REA and borrower personnel and facilities.

Market News Effectiveness Increases

Market news reporters of the *Agricultural Marketing Service* disseminate a wide variety of timely and reliable commodity information to producing and marketing points, city terminals and major trading centers.

Recent improvements in this service involve closer relationships with the trade, greater centralization, and use of up-to-date statistical techniques. A new cooperative agreement with the Chicago Board of Trade supplants a procedure in which grain terminal market data was transmitted to Washington, D. C., compiled and retransmitted to trading centers for public release. Markets in Kansas City and Minneapolis now report direct to the Chicago Board of Trade. The local AMS Market News office then utilizes the information to publish a new "Terminal Grain Stocks" report in lieu of three releases formerly issued. Monetary savings are reflected in a reduction of clerical and statistical operations, decreased telegraphic, reproduction and mailing costs.

Statistical Sampling Application

In providing grain under contract specifications, warehouse receipts are analyzed and a blend of grain determined conformable to the contract. This entails blending of grain types. Comparative studies were made, on the basis of statistical sampling, using manual and computer methods, which validated favorable results obtained through operations research techniques to determine blending factors. In the *Agricultural Stabilization and Conservation Service* Dallas Commodity Office an annual saving of \$92,000 was realized on a volume of 24 million bushels through computer blending.

Spot News Expedites Commodity Sales Overseas

Market news service from abroad on selected agricultural commodities in the

Program Management--Continued

Tokyo, Japan and Bangkok, Thailand markets is helping USDA to more rapidly establish export subsidy rates and minimum bid prices on surplus farm products moving into foreign trade. Special dispatch services of a similar nature are also provided for markets in Milan, Italy, London, England, and The Hague, Netherlands. These pilot projects by the *Foreign Agricultural Service* anticipate the much larger undertaking of providing U.S. producers, traders, processors, and consumers with rapid-transmission of spot market news on prices, quality and sales of selected commodities in principal U.S. markets abroad. These projects also tie-in with intensified promotion activities in the London, England and Hamburg, Germany markets, where marketing specialists have been assigned.

Uniform Grain Storage Agreement Revised

To clarify responsibilities assumed by warehousemen in the storage of Commodity Credit Corporation grain inventories, maintenance of stocks, load out requirements, and settlement of accounts, the *Agricultural Stabilization and Conservation Service* negotiated a revision of the Uniform Grain Storage Agreement applicable to these op-

erations. Modification of storage rates resulted in substantial financial savings. In addition, a special "Agreement for Handling Grain Through Commercial Warehouses" was combined with the revised UGSA to provide one basic contract for simplified administration of the program.

Special Bond Series for REA Borrowers

Responding to the request of REA-financed electric and telephone corporations, the U.S. Treasury in cooperation with the *Rural Electrification Administration* developed a special series of Government bonds yielding 2% interest. This provides REA borrowers with a means for investing general funds not needed currently for operations, but which may be required for future loan payments, emergencies and other corporate purposes. The 2% rate of interest, same as REA loan interest rates, is designed to provide a secure source for corporate funds without resort to U.S. Government or other bonds or investments yielding a rate of interest greater than that of the REA loan. To meet emergency needs, these new bonds may be redeemed in full at any time, within 30 to 60 days after notice. REA borrowers have now purchased more than \$20 million of these bonds.

